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15 **UNITED STATES BANKRUPTCY COURT**
16 **NORTHERN DISTRICT OF CALIFORNIA**
17 **SAN FRANCISCO DIVISION**

18 **In re:**

19 **PG&E CORPORATION,**

20 **- and -**

21 **PACIFIC GAS AND ELECTRIC**
22 **COMPANY,**

23 **Debtors.**

24 Affects PG&E Corporation
25 Affects Pacific Gas and Electric
Company
26 Affects both Debtors

27 * *All papers shall be filed in the Lead
Case, No. 19-30088 (DM).*

28 Bankruptcy Case No. 19-30088 (DM)

Chapter 11

(Lead Case) (Jointly Administered)

**REORGANIZED DEBTORS' REPLY IN FURTHER
SUPPORT OF EIGHTH SECURITIES CLAIMS
OMNIBUS OBJECTION (NO BASIS FOR CLAIM –
FAILURE TO PROVIDE ANY TRADING
INFORMATION)**

[Related to Docket No. 10922, 11092]

Date: October 19, 2021

Time: 10:00 a.m. (Pacific Time)

Place: (Tele/Videoconference Appearances Only)

United States Bankruptcy Court
Courtroom 17, 16th Floor
San Francisco, CA 94102

1 PG&E Corporation (“**PG&E Corp.**”) and Pacific Gas and Electric Company (the “**Utility**”), as
2 debtors and reorganized debtors (collectively, “**PG&E**,” the “**Debtors**” or the “**Reorganized Debtors**”)
3 in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”), hereby submit this reply in further
4 support of the *Reorganized Debtors’ Eighth Securities Claims Omnibus Objection (No Basis for Claim*
5 – *Failure to Provide Any Trading Information*), dated July 14, 2021 [Docket No. 10922] (the
6 “**Objection**”),¹ with respect to Claim No. 105784 (the “**von Buchau Claim**”)² filed by Erik and Rose
7 von Buchau (the “**von Buchaus**”), and to address the informal response to the Objection submitted by
8 the von Buchaus on August 10, 2021 (the “**Response**”).³

9 PRELIMINARY STATEMENT

10 On May 1, 2020, the von Buchaus submitted Claim No. 105784, which contains absolutely no
11 trading information. *See* Slack Decl., Ex. A. On March 12, 2021, the Reorganized Debtors sent the von
12 Buchaus a Trading Information Request Form, but received no response. *See* Obj., Ex. 1. On
13 May 12, 2021, the Reorganized Debtors sent the von Buchaus a Reminder, but, again, received no
14 response. *See id.*

15 On July 14, 2021, the Reorganized Debtors filed the Objection, listing the von Buchau Claim as
16 among those to be disallowed and expunged because they had submitted no trading information. *See id.*
17 As set forth in the Objection, claims for which no trading information has been provided are not entitled
18 to *prima facie* validity and are subject to disallowance on the basis of no liability. *See* Obj. § IV.A.

19 The von Buchaus never formally responded to the Objection. Instead, on August 10, 2021, they
20 emailed Prime Clerk and the Reorganized Debtors’ counsel, asserting that the Objection should not be
21 sustained. *See* Slack Decl., Ex. B at 3–4. In that email, the von Buchaus state that they received PG&E
22

23 ¹ Capitalized terms not defined herein have the meaning ascribed to them in the Objection or the *Order*
24 *Approving Securities ADR and Related Procedures for Resolving Subordinated Securities Claims*, and
exhibits thereto, dated January 25, 2021 [Docket No. 10015] (the “**Securities Claims Procedures**
25 **Order**”), as applicable.

26 ² The von Buchau Claim is attached as **Exhibit A** to the *Declaration of Richard W. Slack in Further*
27 *Support of Reorganized Debtors’ Eighth Securities Claims Omnibus Objection (No Basis for Claim* –
Failure to Provide Any Trading Information) (the “**Slack Declaration**”), filed contemporaneously
herewith.

28 ³ The Response and subsequent communications with the von Buchaus are attached as **Exhibit B** to the
Slack Declaration.

1 shares as a wedding gift in 1992. *See id.* at 4 (“The PG and E shares were a wedding gift in 1992 . . . ”).
2 Other than this assertion of receiving PG&E shares approximately 30 years ago, no trading information
3 was provided and certainly no trading information that shows purchases within the Subject Period
4 (April 29, 2015 through November 15, 2018). *See id.*

5 Thus, the von Buchaus have not furnished any trading information evidencing their transactions
6 in PG&E securities. Like the other claimants who failed to provide trading information, their claim
7 should be expunged. *See Order Disallowing and Expunging Proofs of Claim Pursuant to Reorganized*
8 *Debtors’ Eighth Securities Claims Omnibus Objection (No Basis for Claim – Failure to Provide Any*
9 *Trading Information)*, dated August 19, 2021 [Docket No. 11103].

10 Even if the Court views the informal response as providing information, it is clear based on the
11 informal response that the claim should be expunged since shares acquired 30 years ago are outside the
12 Subject Period.⁴ In an effort to investigate the matter with the von Buchaus, the Reorganized Debtors
13 adjourned the hearing with respect to the von Buchau Claim to October 19, 2021. *See Notice of*
14 *Continued Hearing with Respect to Two Claims in the Reorganized Debtors’ Eighth Securities Claims*
15 *Omnibus Objection (No Basis for Claim – Failure to Provide Any Trading Information)*, dated August
16 18, 2021 [Docket No. 11092] (the “**Notice of Continued Hearing**”). Nevertheless, despite multiple
17 attempts to either (i) obtain the requested information or (ii) confirm that the von Buchaus purchased
18 PG&E securities within the Subject Period, the von Buchaus have failed to provide information that
19 establishes a claim based on PG&E securities purchased during the Subject Period. *See generally*
20 Slack Decl., Ex. B.⁵

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24 ⁴ The von Buchau claim is dated May 1, 2020 — nearly one month after the Extended Securities Bar
Date (April 16, 2020). This Court has already expunged similar outside-subject-period claims on that
basis. *See* Docket Nos. 10584, 10856, 10909, and 11105.

25 ⁵ The Reorganized Debtors considered withdrawing the Objection based on lack of trading information
26 as to the von Buchaus and re-objecting to the claim based on failure to assert trades within the subject
period. Both because the von Buchaus have not submitted actual trading data (including, for example,
27 date of purchase or the number of shares) and for efficiency purposes, the Reorganized Debtors decided
not to expend the time and cost of re-objecting on a different basis and instead decided to go forward
28 with the Objection since it is clear that the claim should be disallowed and expunged in any event.

1 ARGUMENT

2 The von Buchau Claim should be disallowed and expunged because the von Buchaus failed to
3 provide any transaction-level information. As described in the Objection, as part of the Securities Claims
4 Procedures, the von Buchaus received notice of the Extended Securities Bar Date, as well as a
5 customized proof of claim form for securities claims (the “**Rescission and Damage Proof of Claim**
6 **Form**”). *See* Obj. § II. Annex A of the Rescission and Damage Proof of Claim Form specifically
7 required the von Buchaus to provide trade-level detail of their transactions of PG&E securities (including
8 the specific security traded, the dates of acquisition and/or sale (where applicable), the amount and cost
9 of the securities, as well as securities held at the beginning and end of the Subject Period). *See id.* The
10 von Buchaus did not provide any of the requested trading information in the Rescission and Damage
11 Proof of Claim Form. *See id.*

12 Similarly, the von Buchaus did not identify any trades of PG&E securities as part of the Securities
13 Claims Information Procedures. They did not respond to either the Information Request, mailed on
14 March 12, 2021, *see* Obj., Ex. 1., or the Reminder, mailed on May 12, 2021, *see id*, which is why their
15 claim was subject to the Objection. *See* Obj. §§ II–III. As a result of the von Buchaus’ failure to respond
16 to the Reorganized Debtors’ information requests, as of the time of filing the Objection, the Reorganized
17 Debtors were unable to assess whether the claims are potentially valid or determine the quantum of
18 liability (if any) of the Reorganized Debtors. *See* Obj. § IV.A.

19 The information that the von Buchaus have provided in their informal response to the Objection
20 did not contain, for example, the specific purchase date or the number of shares traded — all information
21 that would be necessary to assess damages even if they had purchased PG&E securities within the
22 Subject Period. *See* Slack Decl., Ex. B at 4.

23 In addition, the information provided confirms that their claim should be expunged in any event.
24 Among other things, the von Buchaus alleged that they were gifted shares of PG&E common stock in
25 1992 — *i.e.*, well before the Subject Period. *See id.* Thus, even if they were able to identify the specific
26 purchase date, or number of shares traded, their claim for damages would be subject to disallowance and
27 expungement. *See* Docket Nos. 10584, 10856, 10909, and 11105.

Additionally, the Reorganized Debtors adjourned the hearing with respect to the von Buchau Claim for nearly two months in order to allow the von Buchaus the further opportunity to provide trading data that establishes a valid claim. *See* Notice of Continued Hr'g. To date, however, the von Buchaus have not provided any information indicating any transactions of PG&E securities, within or outside of the Subject Period. *See generally* Slack Decl., Ex. B.

As set forth in the Objection, the absence of any information establishing that a claimant conducted any trading whatsoever is fatal to a potential claim. *See Obj. § IV.A.* As there is simply no legal or factual basis to conclude that the von Buchaus have securities claims against the Reorganized Debtors, their claim should be disallowed. *See id.*

CONCLUSION

For the foregoing reasons, the Reorganized Debtors respectfully request that the Court enter an order disallowing and expunging the von Buchau Claim.

Dated: October 12, 2021

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By: /s/ Richard W. Slack
Richard W. Slack

Attorneys for Debtors and Reorganized Debtors